

TENNESSEE REGULATORY AUTHORITY

Melvin Malone, Chairman
Lynn Greer, Director
Sara Kyle, Director



REC'D TN
REGULATORY AUTH.

460 James Robertson Parkway
Nashville, Tennessee 37243-0505

'99 APR 29 PM 4 20

OFFICE OF THE
EXECUTIVE SECRETARY

April 29, 1999

Mr. David Waddell, Executive Secretary
Tennessee Regulatory Authority
Nashville, Tennessee 37243-0505

Docket no. 98-00018

Dear Mr. Waddell:

Pursuant to the Notice of Revocation of Certification of Minimum Rate Pricing, Inc. ("MRP") dated April 27, 1999, the Consumer Services Division of the Tennessee Regulatory Authority and the Consumer Advocate Division of the Office of the Attorney General hereby submits its Implementation Plan Subsequent to the Decertification of the Minimum Rate Pricing, Inc. for consideration by the Authority at its regularly scheduled Conference set for May 4, 1999. *The Consumer Advocate Division respectfully requests permission to submit an amended plan on April 30, 1999 before 12:00 noon.*

In discussions with counsel of MRP, it is our understanding that MRP will be submitting its own implementation plan with the Authority.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "G. Hotvedt".

Gary R. Hotvedt, Counsel of Consumer Services Division

A handwritten signature in black ink, appearing to read "L. Vincent Williams".

L. Vincent Williams, Consumer Advocate of the Office of Attorney General

Implementation Plan Subsequent to the Decertification of Minimum Rate Pricing

This is the first time the TRA, or its predecessor the PSC, has decertified a long distance reseller for cause. We are, therefore, breaking new ground on this issue. The Georgia Public Service Commission has experience in this area and has adopted an administrative rule outlining the procedures for handling these situations. Exhibit A is a copy of the Georgia Rule for your review.

Before putting together a Plan, the Consumer Services Division and the Consumer Advocate Division of the Office of the Attorney General outlined principles that we thought were vital in dealing with the decertification of MRP. The guiding principles of this Plan are to: (1) Ensure that all existing customers are properly notified of MRP's status in Tennessee as early as possible; (2) Provide a reasonable amount of transitional time for MRP customers to select another intrastate carrier; (3) Attempt to prevent any MRP customer from being left without a long distance carrier; and, (4) Move as quickly as possible to prohibit MRP from providing intrastate toll service in Tennessee.

A. Customer notification of need to change long distance carriers

Goal: Ensure that all MRP customers are properly notified of the action of the TRA and their need to select another carrier.

Customer notification is vital in order to ensure that Minimum Rate Pricing's customers are made aware of the action taken by the TRA and the necessity of selecting another long distance carrier by a specific date. This notification can be approached by any and/or all of the following five (5) methods:

- Press Release to all media
- Direct mail from TRA to all MRP customers
- Announcement on the TRA's Web Page
- Incumbent local exchange carrier bill inserts
- Intercept recording, to be explained below.

The company in the best position to provide customer information of MRP's customers in Tennessee is MRP. Without MRP's assistance, the second best source for the information is from MRP's underlying carrier, MCI WorldCom. MCI WorldCom is willing to supply the information needed for notices, if the TRA issues a subpoena directing it to do so.

B. Transitional Schedule

Goal: Provide a reasonable amount of transitional time for MRP customers to select another intrastate carrier

Allow MRP customers ten (10) days from the direct mailing date to select another long distance carrier. Customers that fail to select another carrier will be without a long distance provider.

Goal: Attempt to prevent any MRP customer from being left without a long distance carrier

Fifteen (15) days after the notice, MRP customers attempting to access its network could receive an intercept, if financially feasible¹, informing them that MRP is no longer authorized to provide intrastate toll service in Tennessee, and that they need to contact another carrier to subscribe to intrastate long distance service. This message should also instruct the call that long distance calls can be completed by dialing a carrier's access code. The actual text of the message should be approved by the TRA Staff.

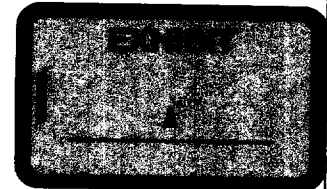
C. Termination of MRP's service in Tennessee

Goal: Move as quickly as possible to prevent MRP from providing intrastate toll service in Tennessee

Since MRP has been found guilty of violating state law and the TRA's rules and regulations, it is imperative that the window of time that MRP is allowed to provide transitional service be limited. In fact, as late as April 27, 1999, the TRA received another consumer complaint (Exhibit B) against MRP. In order to move expeditiously, we recommend that the TRA Executive Secretary take all necessary steps to implement this Plan as soon as possible, including but not limited to subcontracting out the work and/or the hiring of temporary employees to do the work in house.

Ten (10) days after consumer notification, the TRA should Order all telecommunications service providers operating in Tennessee to cease billing and collecting, pursuant to TRA Rule 1220-4-2-.57(2 and 3), for MRP. Several providers have requested such an Order be issued by the TRA.

¹ BellSouth was unable to determine the cost of providing an intercept service to MRP customers at this time. The unreliable information on the actual number of MRP customers adds to the difficulty in estimating a cost for intercept service. BellSouth also stated that implementing such intercepts statewide could require considerable time. These issues will have to be worked out. The TRA may wish to empower the Executive Secretary to make the decision whether to use intercepts and other decisions relative to the implementation of this Plan.



FEB 12 1999

Georgia Public Service Commission G.P.S.C.

47 TRINITY AVENUE, S.W.
ATLANTA, GEORGIA 30334-5701
(404) 686-4801 OR 1 (800) 282-5813
FAX: (404) 686-2341 www.psc.state.ga.us

DOCKET NO. 7598-U

In Re: Adoption of Proposed New Utility Rule 515-12-1-33, Customer Notification Procedures for Disconnection of Resellers.

All interested parties are hereby notified pursuant to Ga. Laws 1964, pp. 338, 342, as amended (Official Code of Georgia Annotated ("O.C.G.A.") § 50-13-4) that the Georgia Public Service Commission ("Commission") has considered and adopted rules governing customer notification procedures for disconnection of resellers. The new rule shall become effective as provided by law twenty days after its adoption pursuant to the Commission's regularly scheduled Administrative Session on February 4, 1999 and subsequent filing with the Secretary of State.

BY THE COMMISSION:

Whereas, in Administrative Session on February 4, 1999, the Commission approved the adoption of a new Utility Rule 515-12-1-33; and

Whereas, a copy of the written notice of the proposed rule was mailed to all utilities subject to the jurisdiction of this Commission, and to all interested persons on the mailing list of the Commission pursuant to O.C.G.A. § 50-13-4(a)(1); and

Whereas, copies of said notice were furnished to the Legislative Counsel of the State of Georgia, pursuant to said O.C.G.A. § 50-13-4(e), and

Whereas, the Commission received comments from parties regarding the proposed new rule that were duly considered,

Therefore, it is

ORDERED, that effective February 4, 1999, the present Utility Rule 515-12-1-33 is hereby approved and adopted as shown below:

515-12-1-.33 Customer Notification Procedures for Disconnection of Resellers

(1) Except as provided in subsection (2) below, prior to disconnecting a reseller, an underlying carrier shall give such reseller at least seven (7) days written notice by First-Class mail, facsimile, or any other reasonable means, of its intent to disconnect service. A copy of said notice shall also be provided to the Georgia Public Service Commission at the same time it is provided to the reseller. The notice shall include the following:

- (a) The date of disconnection,
- (b) Whether or not the underlying carrier will serve as an alternative provider of service,
- (c) The identity of the underlying carrier and instructions, if appropriate, as to how to contact it to arrange continuation of service,
- (d) The charges to be assessed should the underlying carrier assume the duty of providing service, and
- (e) A copy of the Commission Utility Rule 515-12-1-.33.

(2) In the event of fraud, abuse or interfering unreasonably with the use of the underlying carrier's service, facilities or network, and if compliance with the prior notice requirement of subsection (1) above would jeopardize the interests of the underlying carrier, the underlying carrier shall have the right to disconnect a reseller immediately. In such event, the underlying carrier shall provide the notice and comply with the provisions set forth in subsection (1) within 24 hours of the date the service was disconnected. In addition, within 24 hours of the disconnection, the underlying carrier must file with the Commission a detailed explanation of its reasons, including facts substantiating the allegations of fraud, abuse or interference which justify immediate disconnection.

(3) Within forty-eight (48) hours of receipt of the underlying carrier's written notification to the reseller, the reseller shall give written notification or may make arrangements with the underlying local exchange carrier to place an intercept recording on the end-user's telephone line, to advise the end-user that service has been disconnected. The reseller's notification to its end-users shall include the following information:

- (a) The date of the disconnection,
- (b) A clear statement that the disconnection is not the fault of the end-user,
- (c) A toll-free number where the end-user can contact the reseller or the reseller's designated entity or company or person for additional information about the disconnection,
- (d) The ability of the end-user to select an alternative provider of service,
- (e) Information about where an end-user can find information about alternative providers such as the telephone directory. Such information shall also provide the end-user with instructions as to how to contact the underlying carrier and other carriers about the continuation of service and the charges to be assessed,
- (f) The identity of the underlying carrier, and
- (g) The availability of 101XXX access and instructions/referrals on how to access 101XXX to make long distance calls, but that such access will not be available if local service is disconnected.

(4) The reseller shall provide to the Commission and to the underlying carrier one of the following: a copy of the notice of disconnection sent by the reseller to the end user; or, if an intercept recording was installed, written notice that an intercept recording was placed on the end-user's telephone line. Should the end-user fail to elect an alternate provider of local exchange service, and/or long distance interexchange service, the underlying carrier of local exchange service shall provide (in the case of local service) the end-user with seven (7) days of basic local exchange service from the date of disconnection provided in the notice from the underlying carrier to the reseller. The cost of this basic local exchange service may be recovered from the reseller or end-user pursuant to the underlying carrier's tariff on file with the Georgia Public Service Commission. This requirement to provide seven (7) days of basic local exchange service shall not be applicable to long distance interexchange carriers since the end-user has the ability to access long distance interexchange service by way of 101XXX access.

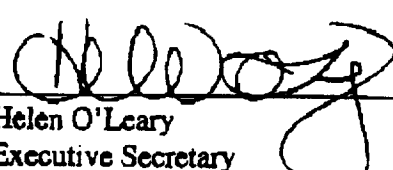
(5) In the event a reseller fails to respond to the procedures or act as outlined herein, the underlying carrier of local exchange service, provided it has the reseller's customer list or other customer-specific information, shall make a good-faith effort to make personal contact with the end-user (in the case of local service) by telephone, regular mail or by service interrupt recording to reasonably notify the end-user that service will be disconnected. The cost of this notification may be recovered from the reseller by the underlying carrier.

ORDERED FURTHER, that said adopted rule having been published as provided in O.C.G.A. § 50-13-3(b) shall be filed with the Administrative Procedure Act Division of the Secretary of State as provided in O.C.G.A. § 50-13-6(b).

ORDERED FURTHER, that a motion for reconsideration, rehearing, or oral argument or any other motion shall not stay the effective date of this Order, unless otherwise ordered by the Commission.

ORDERED FURTHER, that jurisdiction over this matter is expressly retained for the purpose of entering such further order or orders as this Commission may deem just and proper.

The above by action of the Commission in Administrative Session on February 4, 1999.


Helen O'Leary
Executive Secretary

2/11/99
Date


Stan Wise
Chairman

2-11-99
Date

FROM : TODD HANSON NASHVILLE

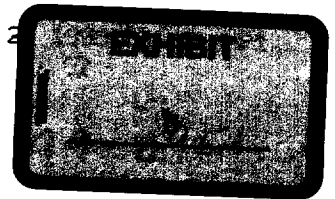
PHONE NO. : 6158479166

Apr. 27 1999

TN REGULATORY AUTH.

Fax: 615-741-8953

Apr 27 1999 10:18



RECEIVED
CONSUMER SERVICES DIVISION

APR 27 1999

TN REGULATORY AUTHORITY

MRP
Billing
Ed.

Consumer Complaint Questionnaire

RETURN TO

Tennessee Regulatory Authority
Consumer Services Division
460 James Robertson Parkway
Nashville, TN 37243-0505
Facsimile (615) 741-8953

4-29-99

Your Name TODD C. HANSON

Address 317 BRANDI WOOD CR.

City OLD HICKORY County DAVIDSON State TN ZIP 37138

Home Phone (615) 847-9166 Work/Contact Phone (615) 415-9431

Is this complaint for your home or business phone number? ^{Home} (615) 847-9166

What company is your complaint against? MINIMUM RATE PRICING

Have you contacted the utility regarding your complaint? ~~NO~~

CONTACTED
GAIL WHO
BILLS FOR ME

Please describe your complaint briefly. Attach copies of any documentation such as bills that our office would need to file your complaint (PLEASE DO NOT STAPLE).

I AGREED W/ MRP FOR A RATE THEY OFFERED ME
OF 9¢ A MINUTE FOR ALL CALLS WITHIN US. I
ENJOYED SERVICES AND RATE STATED FOR SEVERAL MONTHS.

(COPY OF ~~THE~~ AGREEMENT / RATE ENCLOSED). THEN ON
FEB/99 WITHOUT NOTICE THEY JUMPED RATE
DRASTICALLY (BILL ENCLOSED). PLEASE ADVISE

OF FURTHER INFO. YOU MAY NEED.

Sincerely,
Todd Hanson



** Original Rate Agreement*

Page 13

TODD HANSON

Account Number: 615 847-9166 410 0477

Bill Period Date: Jan 13, 1999

For OAN Services, Inc. Billing Questions, Call 1 800 926-7514

Detailed Statement of Charges

Miscellaneous Charges and Credits

Service Provider - MINIMUM RATE PRICING, INC.

Date

	Amount
1. 01/01 UNIVERSAL SERVICE FUND	1.94
2. 01/01 PRESUB CHRG95
Total Miscellaneous Charges and Credits	2.89

Itemized Calls

Service Provider - MINIMUM RATE PRICING, INC.

Direct Dialed Calls

Date	Place Called	Number Called	Rate*	Time	Min	Amount
3. 12/10	HANCOCK MA	413 738-5465	HE	08:33PM	17	1.53
4. 12/13	COLUMBIA SC	803 822-8775	HN	01:12AM	2	.18
5. 12/14	PUTNEY VT	802 387-4661	HD	12:25PM	1	.09
6. 12/14	PUTNEY VT	802 387-4661	HE	05:21PM	2	.18
7. 12/14	HANCOCK MA	413 738-5465	HE	05:23PM	7	.63
8. 12/15	WALNUT CRK CA	925 939-3172	HE	05:17PM	1	.09
9. 12/20	COLUMBIA SC	803 822-8775	HN	03:35AM	2	.18
10. 12/23	HANCOCK MA	413 738-5465	HD	02:58PM	12	1.08
11. 12/25	CINCINNATI OH	513 351-0945	HD	01:19PM	13	1.17
12. 12/25	PITTSFIELD MA	413 499-8878	HD	01:33PM	1	.09
13. 12/25	PUTNEY VT	802 387-4661	HD	01:34PM	17	1.53
14. 12/27	COLUMBIA SC	803 822-8775	HN	01:44AM	2	.18
15. 01/03	COLUMBIA SC	803 822-8775	HN	02:32AM	2	.18
16. 01/03	HANCOCK MA	413 738-5465	HE	07:54PM	9	.81
Total Direct Dialed Calls						7.92
Total Itemized Calls						7.92

Taxes

	Amount
17. Federal Tax33
18. State/Local Tax81
Total Taxes	1.14

* Taxes and Rates Applied - See Back of First Page

AV E039798

(continued)▶



Page 8

TODD HANSON

Account Number: 615 847-9166 410 0477

Bill Period Date: Mar 13, 1999

For AT&T Billing Questions, Call 1 800 222-0300 24 Hours a Day - 7 Days a Week

Detailed Statement of ChargesPay Per Call 900 Service Charges (continued)

Total Pay Per Call 900 Service Charges 3.00

~~Total AT&T Invoice Billing Current Charges 3.00~~

*Long Distance
No Answer!*

*Courtesy Call
to MRP Please.*

3/22/99

to cancel service

Wrote to Contact MRP

— No Response —

This portion of your bill is provided as a service to AT&T. There is no connection between BellSouth and AT&T. You may choose another company for your long distance telephone calls while still receiving your local telephone service from BellSouth.

AV E040412

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ATTN: BILLING DEPT

Page 10

TODD HANSON

Account Number: 615 847-9166 410 0477

Bill Period Date: Mar 13, 1999

For OAN Services, Inc. Billing Questions, Call 1 800 926-7514

Detailed Statement of ChargesMiscellaneous Charges and CreditsService Provider - MINIMUM RATE PRICING, INC.

Date		Amount
1. 03/01	UNIVERSAL SERVICE FUND	1.94
2. 03/01	PRESUB CHRG95
Total Miscellaneous Charges and Credits		2.89

charged
Rate!

Itemized CallsService Provider - MINIMUM RATE PRICING, INC.Direct Dialed Calls

Date	Place Called	Number Called	Rate*	Time	Min	Amount
3. 02/14	COLUMBIA SC	803 822-8775	HN	02:08AM	2	.99
4. 02/14	ATLANTA GA	404 305-9083	HN	02:16AM	1	.90
5. 02/14	HANCOCK MA	413 738-5465	HN	08:01PM	17	2.34
6. 02/21	COLUMBIA SC	803 822-8775	HN	02:05AM	3	1.08
7. 02/21	ATLANTA GA	404 305-9083	HN	02:14AM	1	.90
8. 02/22	PIKEVILLE KY	606 432-1414	HD	02:44PM	2	.18
9. 02/28	COLUMBIA SC	803 822-8775	HN	02:30AM	3	1.08
10. 02/28	ATLANTA GA	404 305-9083	HN	02:45AM	1	.90
11. 03/03	PITTSFIELD MA	413 499-8878	HE	08:13PM	1	.09
12. 03/03	WALNUT CRK CA	925 939-3172	HE	08:15PM	1	.09
13. 03/07	ATLANTA GA	404 305-9083	HN	01:44AM	1	.90
14. 03/07	COLUMBIA SC	803 822-8775	HN	01:46AM	2	.99
15. 03/07	ATLANTA GA	404 305-9083	HN	01:49AM	1	.90
16. 03/09	HANCOCK MA	413 738-5465	HE	07:27PM	18	1.62
17. 03/09	CHATTNOOGA TN	423 755-1431	HE	07:44PM	6	.72
Total Direct Dialed Calls						13.68
Total Itemized Calls						13.68

60 min x .09
= 5.40

Taxes

18. Federal Tax	Amount
19. State/Local Tax50
Total Taxes	1.24
	1.74

I Paid Bill @ 9.00 min.

* Taxes and Rates Applied - See Back of First Page

AV E040412

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*Letter to OAN who
does Billing for MRP*

March 29, 1999

Dear OAN Services, Inc.

To Whom it May Concern:

This is to inform you that Minimum Rate Pricing is no longer my long distance carrier. The reason I changed my long distance carrier is because MRP raised my rates on some of the calls I made without notifying me by phone or by letter.

When I received my bill I called them and they asked me to Fax the disputed charges and they would look into them and get back with me in 2 or 3 days. I waited a week with no response and that is all I am going to wait.

I contacted AT&T today and asked them to switch me to their service. I am going to pay my bill but at the rate of 9¢ a minute as I agreed with MR Pricing.

This letter is just to go on record as my effort to communicate to someone what my actions are concerning my long distance charges.

Thank you for taking this information.

Sincerely,

Todd Hanson

Todd Hanson
317 Brandiwood Ct.
Old Hickory, Tn. 37138

615-847-9166

**Tennessee Regulatory Authority
Nashville, Tennessee**

Fax transmission cover sheet

Date: April 29, 1999

To: Walter E. Diercks, Esq
Rochelle Weisburg, Esq.
L. Vincent Williams, Esq.
Richard Collier, Esq.

Number of pages including cover: 12

CERTIFICATE OF SERVICE

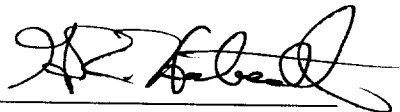
I hereby certify that on April 29, 1999, a copy of the following document was served on the parties of record, via facsimile and U.S. Mail, postage pre-paid, addressed as follows:

Walter E. Diercks, Esq.
Rubin, Winston, Diercks, Harris and Cooke
1333 New Hampshire Ave. N.W.
10th Floor
Washington, DC 20036
FAX: (202) 429-0657

Rochelle Weisburg, Esq.
Angel and Frankel, P.C.
460 Park Avenue
New York, NY 10022-1906
FAX: (212) 752-8393

Richard Collier, Esq.
General Counsel
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505
FAX: (615) 741-5015

L. Vincent Williams
Deputy Attorney General
Consumer Advocate Division
425 5th Avenue North
2nd Floor
Nashville, TN 37243
FAX: (615) 741-8724



Gary R. Hotvedt